WAR AND PEACE

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THE MOBILISATION OF MONEY

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Money and Men

THE present number of WAR AND PEACE marks a new departure. Instead of offering a series of articles dealing with miscellaneous subjects but slightly connected with each other, we have devoted the whole number to a single subject. That subject is the reconstruction of society after the war.

A great deal has been written about this matter during the last few months. But most of what has appeared does not reveal any real appreciation of the magnitude of the opportunity which the war has created, or the significance of the lessons which it has taught. All the writers and politicians whose ideas have been made public up to now are still thinking of reconstruction in pre-war terms and pre-war dimensions. True, a good many free traders have been converted to protection; collectivism of a bureaucratic kind has come into favour with a certain number of individualists; Little Englanders have joined the ranks of Imperial Federationists. But the proposals that are put forward are for the most part an amalgam of pre-war programmes, a hotch-potch taken from the dishes which the Tariff Reformers, the Suffragettes, the Socialists, the Land Reformers, the Benevolent Despots of industry, were offering before the war, and boiled down into a more or less consistent whole. Their authors do not seem to have realised that the war, if its lessons are read aright, enables—indeed compels—us to look at the whole social problem from an entirely new angle of vision. Yet that is the truth, and the preliminary survey of the subject which we present in the following pages is intended to bring it out.

The first part of our number is designed to show that the lessons of the war in their bearing upon social problems must, if only the public will read them aright, revolutionise our notions as to what is practicable and what is legitimate in the way of interference with industry and the distribution of wealth.

The second part of it is devoted to a preliminary task which is absolutely essential if the prospect of social progress thus opened up is ever to materialise.

This task consists in getting the moral paradox that is involved in compelling men to offer their lives to their country as a free gift, and at the same time inviting them to offer their money as a merely temporary accommodation, recognised and repudiated. It is necessary to break down the code of morals which treats material wealth as more sacred than human life; to make the people of this country realise that any form of pressure which is justified as a means of getting a man to offer his life for the welfare of the country is, at least, equally justified as a means of getting him to offer his money for the same purpose. Unless this is done, the hope of any large measure of social progress after the war is small indeed. For until it is done, it will be impossible to conduct the war on poverty with the same ruthlessness, decision and dispatch that the war against Germany is calling forth.

And it must be done now. Unless men can be

brought to see that property is not more sacrosanct than life for the purposes of war, they are not likely to take the further step of arguing that property is not more sacrosanct for the purposes of peace than life is for the purposes of war. Most men's minds move slowly. They must be carried along by one step at a time. The present moment offers a golden opportunity for establishing the principle that the community's rights over the property of its members are at least as great as its rights over their liberties and their lives. If this opportunity is lost it may never return. The Government needs money now no less than it needs men. And it needs money for a purpose which commands the enthusiastic approval of the bulk of the nation. If in these circumstances it is allowed to persist in its present course, if the contention of the propertied classes—the contention that the State is entitled to apply every form of pressure—publicity, obloquy, compulsion and what not—in order to get men into the Army, but is not (save within very narrow limits) entitled to apply the same forms of pressure in order to get money into the Exchequer—if this contention is upheld in the present crisis, what chance is there of upsetting it in the future when the needs of the Government are less obviously pressing or less generally recognised?

There is a further reason for pressing this point now. The present methods of financing the war are building up what is likely to prove the most serious obstacle to social progress which has existed for a century. That obstacle is the war debt. Not only will a debt of £3,000,000,000 mean of itself a vast and indefinitely prolonged transference of income from the poorer sections of the community to the richer, but the level of taxation which it will necessitate, will prove a very stubborn obstacle to every measure of social advancement which calls for the expenditure of public money. The case for "retrenchment" will be stronger than it has been for generations. Resistance to expenditure for social purposes was stiff enough when income-tax stood at 1s. in the £. With income-tax at 4s. or 5s. in the £ it will be indefinitely stiffened. It is, therefore, the duty of every friend of progress to suggest means by which the smallest possible burden may be left after the war, and what burden there is may be thrown off quickly.

The recognition of the principle for which we are contending would be of enormous assistance to this end. On another page certain proposals are suggested by which it could be recognised and applied for the purpose of meeting the financial needs of the moment. They are equally applicable to the repayment of the war debt when the war is over. Opinions will differ as to their merits and practicability, and we put them forward simply in order to draw attention to the broad issue which they raise.

It will be observed that the suggestions to which we have referred do not involve any element of legal compulsion. They rely solely upon social sanctions. They can therefore command the support of those who have objected, and still object, to conscription as a matter of principle. On the other hand, there is nothing in them that need antagonise those who believe that compulsory measures are desirable or necessary. Those who favour the conscription of men can scarcely deny that the conscription of wealth is equally legitimate, and many people who would deny the right of the State to dispose of a man's life and liberty claim for it (quite logically) the lesser right to dispose of his surplus wealth. Both classes could support such a scheme as this. In the case of personal enlistment, social sanctions were applied before legal compulsion was introduced. Men of military age were given a chance to offer themselves for the Army before they were made soldiers by Act of Parliament. Might not the owners of property be given the chance of offering their money willingly before it is legally "deemed" to have been placed at the disposal of the Government?

We are not concerned at this stage to choose between voluntarism and compulsion, to raise the whole question of State *v.* Individual. We wish merely to establish the principle that the rights of the community over property are no less far-reaching and no less absolute than its rights over the lives and liberties of its members. The recognition of that principle would open up the prospect of an advance towards a new social order more solid and more rapid than any which was dreamt of in the pre-war philosophies of our capitalist politicians. In a future number we hope to discuss practical applications of it—to consider in detail how it may be used to meet the specific needs of the community after the war—to examine in the light of it the proposals which others have put forward. But the first thing, and the all-important thing, is to get it recognised.

Neither the financial problems which the war is raising now nor the social problems which will have to be faced after it is over can be solved unless the material resources of the nation are made available for public purposes in a much greater degree than they have been hitherto. There is in the country enough wealth, or the power of creating enough wealth, to provide a decent standard of life for everybody: the difficulty is that it is not applied for this purpose: it is in the wrong hands and in the wrong form. A new social order can be established after the war; but it can be established only *if money is mobilised* for social purposes. The country will slip back into pre-war standards and pre-war muddling unless it is resolved to call up the nation's wealth for the purposes of peace just as it has called up the nation's manhood for the purposes of war.

The Lesson of the War

The Economic Miracle of the War

THE war has had one outstanding economic lesson: The degree to which it is possible to increase production by widespread co-ordination of the national resources in material and energy, even in existing conditions of education and training, is immensely greater than anyone has heretofore thought possible. The fact is that with—

Over four millions withdrawn from production altogether (soldiers);

Over two millions employed in the manufacture of goods (munitions) which are destroyed (do not add, that is, to the standard of life);

The remaining workers can, by their labour, supply not only a vast quantity of rapidly destroyed material (other than munitions) needed in modern war, but maintain for the above six or seven millions, for themselves and for the remainder of the population, a standard of living higher as a whole than that which was obtained when the six or seven millions were available for productive labour.

It is, of course, true that many now work at a tension and for hours that would not be possible normally. But it is also true that much of the labour from which the country's wealth is now being derived is "amateur" and that the national organisation, owing to the rapidity with which adjustments had to be made, is muddled; so that the deduction in the matter of hours which should be made in attempting to arrive at a possible normal standard may be offset by the increased efficiency which would come with time by the development of amateurs into "efficients" and by the elimination of present friction and waste.

It is true also that we are now consuming wealth which would—and must—in ordinary time go to replace exhausted or to furnish new capital; that is to say, to make good depreciation and create new machinery and material for future production. It is true also that a small proportion of the goods we now consume we are not either making ourselves or obtaining in exchange for goods we are now making, but are obtaining in return for the surrender of past accumulated savings in the shape of foreign securities

But all these items are fairly calculable quantities and, making every allowance for them, the great and astounding fact remains that with a good deal more than half of the workers of the country withdrawn from any work which contributes to their own support, they and the whole country are maintained at a higher standard of living than before, while there is furnished, in addition, the immense amount of material daily needed for destruction in war. It is obvious that if the two million munitions workers were producing consumable goods instead of war material, and the soldiers were also working instead of fighting the amount of total wealth produced could be enormously increased—somewhere nearly doubled—and the standard of living corresponding still further raised.

Why is it Disregarded?

Now, it is curious that in the discussion of after-the-war problems this indisputable fact is not merely overlooked, but disguised. One of the most distinguished authorities on the problem of poverty in England has just been devoting a series of articles to urging the crying need of increased production if the wherewithal is to be found to feed and clothe the men when they come back from the war.

But if we can clothe and feed and doctor and amuse them now at the rate of something like three hundred pounds a year per head, when they are doing nothing towards their own support, why should it not be possible to do so still more effectually when they themselves—normally the chief producers of our wealth—are once more by their productive labour adding to the common stock?

He writes on the need of grappling with the question of preventable disease, which of itself, he points out, cuts the possible production of the working classes nearly in half; he adumbrates new plans of more economical distribution, the recasting of our means of transport and much else.

Now all this is very true and important, but surely the emphasis on it has the effect of withdrawing attention from the lesson that, with our existing means of transport and the existing loss from preventable disease, and so forth—without any reformation in such matters as these—we have managed, with something like half the workers that we had before the war, to secure not merely a higher standard of living but to provide as well all the vast material needed for the armies at the front.

The fact shows that productivity was not maintained at anything like its highest point, or that its benefits were not reaching the general population; that the very imperfect means we did possess—with all the deductions made on the score of bad health, defective education and training and the rest of it—ought to have given much better results than they did; were somewhere so ill-adjusted that they were not giving perhaps more than half the output, in terms of national benefit, which the stimulus of war has produced.

That point is important for this reason: If there was some factor which prevented the people as a whole profiting even by the very defective instrument that

they did possess, what guarantee is there that they would benefit in any adequate degree merely by the improvement of those instruments? Surely the first problem is that of finding out why the instruments already employed gave but half their possible output: why, in war time, they yield results so greatly superior to anything which before the war we had deemed possible.

What Has Made it Possible?

What are the factors of the miracle here emphasised—the fact that with half the workers gone and the immense drains of war to meet there still remains as much real wealth in the hands of the people at large as before?

So far as production is concerned the elements of increase are fairly well realised: the very greatly increased labour of women; the suspension of trades union restriction on the use of unskilled labour or upon the use of machinery; the diversion of labour from luxury trades and industries; the suspension of labour in making good depreciation (or, in other terms, the suspension of deferred expenditure and consumption) and—as in finance and foreign trade—the bold and sometimes ruthless use of national credit to buttress the weak spots which appear when far-reaching readjustment are made, without which help it would be impossible to avoid widespread disaster.

It is likely that no reliable quantitative analysis of these items is possible, and for the purposes of the conclusion which their result points, it is hardly perhaps necessary. For, whatever be the relative importance of each, they would not have been operative but for one sovereign factor or element. And that is the element of WILL, the push and drive of a single purpose.

The National "Will" in Peace and War

The fact is a commonplace—its terms make up the hackneyed verbiage of the national self adulation that marks all nations in war-time—but unless we realise the *character* of the difference which marks the national will in peace and in war we shall miss the essential point in the problem of national regeneration.

The externals of the difference between a demand based on the need of fighting poverty and on that of repelling the Germans are evident enough. To take a few instances: The Insurance Act was held up for months owing to financial demands of certain classes, all of which could have been satisfied with less than a million sterling—a sum which for purposes of war the Government spends every fourth hour. The six millions a year which was the first estimated cost of the Act was resisted as a really serious drain upon the budget; that sum is our present daily expenditure upon the war. Sums which for war purposes are *obtained* without discussion would, for peace purposes, be *refused* without discussion. Sums now currently dealt in for purposes of war were simply not "arguable" in the planning of the war on poverty.

And it is not merely a matter of expenditure. In boldness of governmental experiment also, in the use of Government authority, things which are commonplace in war would be quite impossible in peace. Take any outstanding war measure with reference to banking, paper currency, guarantee of bills of exchange, national marine insurance, national control of the railroads, and you have measures which, enforced overnight in war, could not be done in peace without years or even generations of political agitation. Inconveniences which by the well-to-do are welcomed as a wholesome discipline in war-time, could simply not be enforced for any peace purpose whatsoever. Women who readily give the lives of their children for the purpose of beating the German, found it an unutterable hardship to lick a stamp for the purposes of an insurance act.

Now it is altogether likely that, given the present character of feeling that dominates the struggles of nations, no peace conditions could develop the singleness of purpose given by war. But the measures taken in this war lacked one element of will which the struggle against destitution will henceforth possess; and that element is the knowledge that certain measures can be made to succeed. There was no certainty that with the country denuded of its best labour the economic demands of the war could be met. But the drive of military need—or assumed need—was such that the danger had to be risked and the experiment tried.

And the resulting revelation of the possibilities inherent in certain State powers will have a very important effect upon the development of a national will to use them for other purposes. Indeed, the revelation itself creates the will to use them. A purpose which we regard as plainly or probably impossible of achievement cannot stir us to effort. If we examine some of the difficulties of those peace-time endeavours of the past—minimum wage, old age pensions and so forth—we shall probably find that the largest factor in paralysing the efforts of those who supported them was the general impression (on the part of the public as a whole) of the impossibility of their accomplishment. We were told that such measures, by the burdens which they imposed upon industry, created as much distress as they relieved; and a good case was made out for the contention. And that set up the claims of rival solutions and rival schools: Revolutionary Socialism, Fabian Socialism, Guild Socialism, the Distributive State as opposed to the Servile State; Tariff Reform, Prohibition, Feminism, Protectionist Imperialism, Land Reform, the Single Tax, remedies without number and, in the case of most, each exclusive of the others. It was very nearly true to say that the advocate of each was mainly engaged in showing that the solution of the

others was impossible. So that at any one time there was much more destructive and negative than constructive and positive social advocacy reaching the public.

How to Get a "War Will" for Peace Purposes

But the demonstration has been made—perhaps for the first time in history. We have argued for half a century on the possibilities of State Socialism. We never tried a really bold experiment. But for the purposes of the war in banking, industry, trade, transport, we have shown that certain things which most would have argued simply could not be done, can be done. We have shown it by doing them. We have demonstrated that the obstacles which stand in the way of a vast change for the better in the standard of living are not primarily physical at all; that they are difficulties of will, of purpose; that, given this will, the way to perform economic miracles has a habit of being found; that we have the physical means at our disposal for the abolition of poverty and that the one thing needed for their successful employment to that end is the real determination to use them as resolutely and ruthlessly as we would use them for the defeat of a military enemy.

For the peculiarity of war with a powerful enemy is that he will not wait for his rival to reconcile conflicting theories of defence. They must all, in some measure, yield to the need of prompt action. As a consequence it has come to pass that in all the social adjustments made necessary for the purposes of national defence, all programmes and theories have contributed; we have taken a bit of Guild Socialism here, of German State Socialism there, of Feudal Paternalism or Eighteenth Century Protectionism, or Advanced Feminism elsewhere. All these reconciliations would have been impossible but for the constant pressure of the enemy and the incessant and insistent need of defeating him.

In peace-time this corrective of dissipated effort and divided purpose is not at work; Governments may be as much afraid of the enemy of Destitution as they are afraid of the Germans, but they are not afraid of that familiar enemy in quite the same "he'll break through to-morrow morning" kind of way.

That brings us to a further point in the application of war lessons to the social problem. To get things done by Governments—even quite possible things—there must be an incessant drive or stimulus like that furnished by the danger of the enemy's victory: a stimulus which makes it possible to reconcile or amalgamate rival solutions.

Such a lesson—once the possibility of a standard of life so different from the past as to make a new era, is plainly manifest—is not likely to be lost upon a democracy if it prove itself at last in earnest. And if the results are not forthcoming from the methods employed, they will know that it is because the stimulus is lacking, and they will attempt to supply the stimulus: "If you can't do it, we shall try to do it ourselves. We know now that revolutionary methods can be made to work. And we intend to try."

What Do We Want?

And then, of course, the people will come up against a difficulty that is a constant one in peace and which does not appear in war—namely, the difference of opinion as to what it is we want.

In war-time we know exactly what we want the Government to do. We want it to beat the enemy. And as to whether that end is being accomplished, everyone is able, in the long run, to judge.

But in peace-time we do not know exactly what it is we want the State to do. Some of us want mainly one thing, some another and possibly incompatible thing. We have never managed to concentrate governmental, to say nothing of national effort, upon such a thing as the war on Poverty. Some of us have been far more concerned with Home Rule, or Protection, or National Service, or a greater Navy, or Imperial Federation, or Temperance Reform, or Religious Education, or the Relations of the Church to the State.

And when, after a long fight, some scheme like a Health Insurance Act is completed, there is not necessarily a certainty that it is a victory at all. Plenty of competent critics have seriously argued that the workers, all things considered, gave—especially if we consider the increase of power which resulted to the Bureaucracy—as much as they got.

So the problem, from the workers' point of view, will be to inaugurate a movement or campaign of such bigness and grasp as to rally to it for the time being at least all other social aims; and of such simplicity of aim that the people will really know whether they are winning or losing.

A Pound a Day and National Service

Let us assume, for the sake of argument, that the economic facts summarised at the head of this article justify the conviction that the country under fairly efficient management can certainly produce sufficient wealth to assure every family in the State a standard of life corresponding roughly to that now enjoyed by a family of five living in urban conditions on three hundred a year. And let us assume that the workers of Great Britain have convinced themselves of that possibility and acquired the determination to make that standard in England the minimum standard in working-class life. Their demand then can be summarised in a simple and understandable claim: "A pound a day for every full worker."

To demand a minimum of "a pound a day" does not mean, of course, that every worker, irrespective of geographical or family circumstance, would receive that wage, but that the standard of living would be fixed on the basis of the average family needing that income for its support. In the case of single men in country districts, the actual minimum would be fixed much lower, in certain urban cases conceivably higher. But the standard would be symbolised by that figure. It would mean that the workers intended, after the war, to secure a measure of improvement which would not be a mere tinkering with old conditions, but a new order, something so different in degree as to be different in kind, and the demand would constitute a notification that they had finished with the old order, the old conceptions and the old standards. Its "preposterousness" would emphasise the fact that it marked a real revolution, something worth a special and exclusive effort, demanding, like the war against Germany, the setting aside for the time being of other and minor objectives; something so worth while, aiming at results so different to any given by previous efforts in this field as to justify the rallying thereto of partizans of all schools.

And the symbol would mean something more. That the new distribution of wealth was to take such a form—increase of individual wages—as to render possible two things: (1) a ready test by those concerned as to whether it was a reality or not; and (2) an individual control which would conserve as large a measure as possible of personal freedom and so would not constitute a further drift towards placing the worker within the personal power of bureaucrats.

The Social Implications of Conscription

But even if the workers get thus far in transferring to the fight against poverty the factors that have given success in war; even though the demonstration of the physical possibility of vast improvement give them the will to bring it about; even though their determination to employ revolutionary methods in order to force the hands of those in possession furnish an impetus somewhat equivalent to that furnished by the enemy in war-time; even though the largeness and value of the objective can rally to it those committed heretofore to divergent aims; and though the workers are able to judge readily, by simple tests, as to whether they are winners or not—they may still be defeated because we have heretofore had one conception of the individual's relation to the community for war and another for peace. The movement is likely to be brought up—and perhaps definitely checked—on a very grave and fundamental question of moral principle. Have the workers the right, if all else fails, to resort to confiscation?

For generations in modern states—certainly since the industrial revolution—there has been a fair presumption that the aggregate wealth production would suffice for the abolition of poverty if approximate equality in distribution could be achieved. But the various schemes looking to that end have for generations been paralysed by scruples largely concerned with the institution of Private Property. The critic of present-day Socialism is perfectly right when he says that with all their talk the Socialists have not got within measurable distance of taking from those who have too much, to give to those who have too little.

Now it is quite arguable that we might morally have paid too high a price for the end achieved. To take the property of the rich even for the purpose of saving human life—and millions of lives among the poor would have been saved by the attenuation of their poverty during the last generation or two—may, however we justify it, be confiscation, theft.

And it is here that the institution of military conscription, particularly sanctioned by the propertied classes, has certain moral implications, the vast importance of which have not, so far, been realised.

If we accept the moral principle underlying Conscription—which the present writer does not—we have answered the ethical question here involved. If it is theft to take a man's property for the purposes of the State, is it any less theft to take his life? Conscription tells us that we have undoubtedly the right to confiscate for the good of the majority, the nation, the State, because it tells us that we have the right to take the person. And had the community asserted the same powers over property that it has asserted over the person, poverty would probably have disappeared from modern Europe.

Conscription, of course, can only be justified by virtue of a very definite principle or doctrine of the citizen's obligation to his Government, of the relation of the individual to his community or nation; the doctrine that the individual, if his Government decides that the issue is important enough, is morally obliged to surrender his life. Indeed (and this is a crucial point to bear in mind if we would realise how abundantly has the philosophy of conscription justified the confiscation of wealth for general purposes) the State, in the case of conscription, demands morally very much more than a man's life. It demands that he shall take the lives of others, whatever his personal conviction as to the cause which those others represent. And this surrender of freedom, person, life, even conscience and personal conviction to the political purposes of his State in the international field is made by the modern European almost without question, not only when those purposes are defence simply and purely, but when they represent the execution of foreign policy like that which led Italy to war for the conquest of Tripoli, Russia to war with Japan, or belong to the

order of motives which led England to war with the Boer Republics.

No one denies that the exercise of these supreme claims by the State involves vast hardships and personal miseries and necessarily great inequalities of sacrifice. All this is brushed aside as dust in the balance when the victory of the nation in foreign politics is in question.

But only for the political purposes of the nation in the foreign field. No equivalent demand is made on the individual for the social purposes of the nation.

For the purposes of its foreign policy the obligation of the individual citizen to his Government on the one side, and the powers of the Government over the individual on the other, are both unlimited. But for the purposes of the nation's domestic policy—for the purposes, that is, of organising the conditions of life within the State—the obligation of the citizen and the power of the State have both most rigid and definite limitations.

Let us examine the parallel a little farther.

A European Government says to its citizens :—

> There is a danger that our people might be compelled to live under laws imposed or influenced by a foreign power; or at least to carry on foreign trade under restrictions which foreigners would be in a position to impose. This would be morally so disastrous, so derogatory to human dignity, so grave a sacrifice of right, that to provide against that danger it is necessary to go to war. We ask you to give your lives for that purpose and to ensure its success by killing as many of the enemy citizens as you can. And to this act and that sacrifice we shall use compulsion to the degree of subjecting you to the death penalty if you refuse either one or the other.

That governmental right, that power of the community over the individual, is completely justified by the most currently accepted political philosophy of our time.

But were a European Government to say :—

> The mass of our people live in conditions of destitution and dependence that constitute a constant and daily affront to the dignity of the human personality, a condition that undermines, in the long run, most that is best in human nature among our people; we know at the bottom of our hearts that it makes vast masses greedy, servile and debased and deprives them of most that makes life worth while. We do not ask any positive act on your part as your contribution towards ending this condition (as we would ask you to kill foreigners under your military obligation), nor do we ask you to give your life or freedom or conviction; nor do we ask you to accept poverty, because the object of our act is to exempt all from poverty. But we ask you to surrender that unneeded surplus of wealth, your retention of which involves slavery for so many of your countrymen.

But compulsion to ensure that is regarded, even by many who accept military compulsion without question, and by conscriptionist advocates, as an immoral and unjustifiable expansion of the powers of the community over the individual!

Now this anomaly is bound, if ever the fight against destitution reaches the point indicated above, to be challenged, to form the subject of a great division of opinion and feeling in the political conflicts of our generation. It is obvious that if life and freedom are to be forfeited for the purposes of the State, property will not escape.

Transforming the Political Religion of Europe

Now it is no necessary conclusion from the foregoing that widespread schemes of confiscation are justifiable; still less that such schemes are practical politics or the best solution available. But it does follow that the application to social purposes of industrial schemes of community control—regulation of profits and what not—which we have successfully applied to the purposes of war, cannot in future be forbidden by reason of a sacro-sanctity of individual right which is overridden in wartime to a degree no social purpose could demand. If that community control for peace purposes is to have a fair chance, we must realise the principles that conscription has established for community purposes, and avail ourselves of as much as is right and sound. If we fail to do this, we shall have taken most of what is evil in the principle and rejected most of what is good. To avoid that catastrophe we must make conscription a means of raising in the minds of the mass the general question of the relations of the individual to the State, to the end that he may derive the best there is from any principle established.

It is important to realise how that discussion is likely to turn. It is neither cynical nor sordid to argue that the institution of private property and the ethical conceptions that have gathered round it will not be destroyed or greatly modified without bitter struggle and far-reaching discussions. Our moral reactions to such words as "theft" are very deep and very sincere, and the modification of concepts so deeply rooted is not going to be a simple business.

That discussion has heretofore not been precipitated with any vividness because it has been possible heretofore to dismiss all plans of expropriation as fantastic on the practical side. But now that we have had practical demonstration of the physical possibility of the far-reaching control of wealth—which, in its extreme form, is confiscation—the defenders of private

property will be pushed more and more on to the moral ground.

But their position there will be quite untenable so long as they hold by the basic principle of conscription—that for the purposes of the State the individual citizen must surrender his all—unless they are able to show that the purposes of military power (the success of our State as against other States in foreign policy already touched upon) are essentially higher purposes than those of the social reformer. If the conscriptionist goes on arguing: "Every citizen must give his life for the defence of his country," the socialised masses of the future will certainly reply: "Every capitalist must give his money to make his country worth defending." And naturally the more severe the military claims on the person, the more severe will be the social claims on property. It will no longer be open to the conscriptionist to reply that you cannot make the country "worth defending" by applying conscription to money. The fair presumption will be that you can if you "mean business." He will be compelled to reply that improving a country has no importance beside defending it; that what we can ask for the purpose of saving the country from foreign rule must not be asked for the purpose of saving it from destitution. The Socialist will be placed in the position, not of refusing to defend his country—he offers his life for that purpose—not of putting "pocket before patriotism," but of demanding whether the capitalist and property owner does not do that by refusing to give his money for the welfare of the country the blood of the people has defended.

Now that conflict is bound to precipitate discussion as to the ultimate values involved: what military strength in States has achieved in the way of security and well-being; what really is the relative importance of the ends achieved by successful foreign policy and social reform. All that means a discussion of the foundations of what may be called the religion of Nationalism and, probably, some very considerable modifications of existing feeling thereon.

The importance of such a change in its bearing upon international war may be appreciated if we realise what some such analagous change in the common attitude towards ecclesiastical dogma did in bringing religious wars to an end. No one who has seriously studied the complex and sometimes obscure motives that operate in international conflict can fail to appreciate the important *rôle* which the discussion here forecast must play in modifying general opinion and attitude. It may transform the political religion of Europe.

The coming social and international reconstruction will be developed, point by point, in future numbers. *Ready October 1st*—

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The Enlistment of Wealth

The Two Standards

THE war has revealed some curious kinks in our national mentality. It has revealed, among other things, a national mind working in idea-tight compartments, applying to one set of circumstances principles which it passionately avers are fundamental in their nature and universal in their scope, and at the same time steadfastly avoiding any application of those self-same principles to the most nearly allied problems of another order. At the time when the voluntary recruitment of men for the new armies was a cardinal tenet of faith with something like three-quarters of our people, and when the principle of voluntarism was being stoutly upheld in the Press and on the platform by stalwart libertarians, no one seems to have thought for a moment of seriously urging that the voluntary principle should be applied to the recruitment of money. On the contrary, it only needed that a fractious compulsionist should ask, "Why don't you advocate the raising of money by voluntary methods?" for the exponent of voluntarism to become smitten with an abashed dumbness and to retire from the discussion in confusion. On the other hand, the compulsionists, as Mr. Bonar Law has so naïvely informed us, saw that compulsion could not be applied out of hand by any political party with any assurance of success, whereupon they connived with the voluntarists to reap the required harvest of men by voluntary methods, only to break the instrument that had served the nation so well, just before its task was done, and to replace it by the weapon of compulsion, wherewith they proceeded with great *éclat* to glean a few remaining sheaves: yet it is not recorded than any compulsionist suggested, however mildly, even once that the same cunning plan should be followed in the case of the second vital requisite of military success—money.

For Corporal Application Only

Again, when compulsion for men became a thing accomplished and to be accepted as a fact, the great mass of voluntarists straightway let the whole matter slide into oblivion, never once asking themselves whether the new situation thus created had any bearing upon other matters of vital import to the nation. Those few who more or less vaguely felt that wealth should in all fairness be treated on the same footing as life could think of nothing better than to raise their lonely voices in a demand for the forthright conscription of wealth. The compulsionists had learned nothing, the voluntarists had forgotten everything. Except in one distinguished instance,* it appears never to have occurred to anyone that the course pursued by the voluntary-cum-compulsory coalition—voluntarism for winning the loaf and compulsion as a threat held in reserve for scraping up the crumbs—had any lessons to teach. The compulsionists of course lay low, firm in their conviction that wealth is a sacred thing, not to be impressed into service like the bodies of common men, but to be reverently besought and restored in due season with gifts and praises to the bounteous provider. Thus does our national mind in its several manifestations work in non-communicating compartments, either confining itself to one compartment permanently oblivious to all others, or transferring itself from one to another, carrying no link of memory with what has gone before.

* WAR AND PEACE, January, 1916.

One Problem, One Policy

This compartmentalising of our principles and policies was all very well so long as the profound seriousness of the war was a mere matter of platform rhetoric, press pomposity and private fulmination, but the day for that sort of thing is passing and, if the war is to go on for another year, as some suggest, people will have to feel as well as profess its seriousness. Men will be brought to see that the multifarious problems it raises will no longer admit of solution by principles and policies fubbed up *ad hoc* to meet each particular case. Stern reality will teach us that the factors involved in prolonged war-making are not isolated matters, but are component parts of one whole problem, and must be dealt with in the light of principles and policies common to all.

The Skeleton in the Cupboard

The most crucial need of all that will confront the nation during the next twelve months (if the war is to go on) is the need for money. The Government wants £37,000,000 a week. An odd million or so of this amount is for current expenditure on such things as the civil service, old age pensions, education, and other similar trumpery matters: the rest is for expenses attendant on the vigorous prosecution of the war. How is this weekly sum being obtained at present? How can it and how ought it to be obtained during the next 52 weeks, if the war is to go on?

At present, about £6,000,000 out of the £37,000,000 a week is being obtained from taxes (about 1¼ million from taxes on food, 1 million from taxes on drink, 1½ million from income tax, ¾ million from estate duties, ¾ million from profits on the Post Office, and the rest from miscellaneous sources, including, for example, £4,500 from the land value duties imposed in the great epoch-making Budget introduced by the People's Chancellor). The remaining sum, £31,000,000

a week, is being borrowed: either in the form of War Loans, War Expenditure Certificates, War Savings Certificates, Treasury Bills, or foreign loans. The bulk of it is being borrowed from British subjects.

Let this be made unmistakably clear, at risks of whatsoever repetition. The Government must have £37,000,000 a week if the war is to go on. It is at present raising £6,000,000 of that amount by taxation and borrowing £31,000,000.

Now let us see whither finance of this sort is leading. The national debt stands at the present moment at about £2,600,000,000. By next March, Mr. McKenna informs us, it will have amounted to £3,440,000,000. From that Mr. McKenna suggests we may fairly deduct £800,000,000 for advances to Allies and Dominions, but it is probably more prudent to make no such deduction. Let the national debt, then, figure at £3,440,000,000 in March of next year. The annual charges on a national debt of £3,440,000,000, with provision for interest and redemption will hardly amount to less than £300,000,000 a year.

Sowing the Wind

What does that mean? It means that for a generation after the war £300,000,000 will be taken every year from the pockets of the general body of taxpayers and handed over to holders of war loan. £300,000,000 is one-eighth of the national income. What it means, therefore, is that one-eighth of the aggregate income of the British people will be taken away from the many and handed over to the few who were wealthy enough during the war to subscribe heavily to one or other of the war loans. Could the Father of Strife himself conceive a better method of aggravating class inequalities, class hatred and class conflict? When the "cold fit" is on and our people look back upon what they in their hundreds of thousands *gave*, and realise their indebtedness for what these others in their select hundreds *lent*, what will they think, what will they say, what will they do?

It may be objected that the war loans have been placed on a "popular basis," so that war scrip is being purchased by individuals of all classes, from scullions to right honourable gentlemen. Very true. Right honourable gentlemen have taken great pains to ensure that. But anyone who will go to the trouble of surveying broadly the distribution of war stock will see that it is held in overwhelming proportion by the wealthy, and that the contributions of the proletariat, though making a brave show as regards numbers of small subscribers, amount in all to but a pitiful fraction of the total sum subscribed. The statement of the case put forward above is not affected. The many whose response has been "What we have we offer" will be mulcted in a generation's tribute to the few who said "What *we* have we lend."

It may also be contended that the national debt will not, in fact, accentuate the unequal distribution of the means of life, for the reason that after-war taxation will be levied in rough measure upon the class which holds the bulk of the war stock, so that the wealthy will pay the State, in the form of taxes, the sums which the State must pay back to them by way of interest and redemption, thus in effect cancelling their loans so far as the proletariat is concerned. May it be so; we commend the suggestion to those who are charged with the interests of the common people. At the same time we would call attention to the patriotic activities of those who see in rosy colours a future in which the "penalising of Germany" goes hand in glove with a policy of "broadening the basis of taxation" at home, whose unit of taxation is not the pass-book but the stomach. Mr. Hughes of Australia and the full-blooded Prussians-in-spirit who direct the destinies of the *Morning Post*, melodramatically preposterous as they may be, cannot be left entirely out of account. You cannot stampede a nation into wisdom, but you can stampede a class into folly.

Reaping the Whirlwind

The policy of paying five-sixths of the cost of the war out of loans is a policy of disaster. Let not the instance of the Napoleonic wars, when we defended the liberties of Europe against the tyrannising aggression of our present gallant Allies, be adduced in disproof. True, the national debt now accumulating will not be overwhelmingly greater in proportion to the national recuperative power than was the debt of 1816. True, the common ruck of men, though disposed to restiveness, endured the aftermath of those wars without any grievously incommoding movement of revolt. All that is true, but the analogy even so will not satisfy. The meanest wage-slave to-day, despite that his daily mental pabulum is the headlines of the orthodox Press, is susceptible of a plainer understanding of fact and moral than his forerunner of a century ago, and out of the social and intellectual turbulence of the war there will assuredly come men inflamed with the sense of wrongs who will proclaim the facts and point the moral in uncompromising and unmistakeable words.

The road of the war loan is the road to disaster. Yet (if the war is to go on) £37,000,000 a week must be raised. How ought it to be raised? What are the alternatives?

Great Committees and Small Programmes

It goes without saying, that if £31,000,000 a week is to be secured for the purposes of war from British subjects, each individual must rigidly cut off every unnecessary item of personal expenditure. Acting

upon this undesirable truth, the National War Economy Committee have embarked upon a campaign of exhortation. They have, for example, caused to be exhibited on the walls of our towns and villages posters declaring it to be bad form, unpatriotic, and altogether very naughty, to dress extravagantly, to use motors for pleasure, or to keep an undue allowance of servants. Under other distinguished patronage, War Savings Committees have been established throughout the land with the object of promoting economy among people of small or moderate means, and providing facilities for them to invest their savings in war stock. Is this the policy we seek, the policy which shall effect what the needs of the present and the dangers of the future point to as essential?

The posters have their place, the savings committees have their usefulness; but they do but trifle with the business. They are utterly inadequate to the needs of the case and, moreover, they leave the gravest danger of the present system intact. We reject this method of approach on three counts: First, that it culminates in lending instead of giving; second, that it does not provide the personal challenge, backed by inquisitorial powers, to the individual; and, third, that it does not apply to the individual that most potent of all sanctions—publicity.

Five Per Cent. per Annum

We shall return to the questions of the personal challenge and the power of publicity at a later stage. For the present let us be content to deal with the issue between gift and loan. We have referred to the habit of compartmentalising ideas. Could there be a more amazing example of that habit than this, that it should be thought perfectly natural for *life*, which can never be paid back, much less paid back with increase, to be *given* freely or commandeered violently, and for *wealth* to be *lent* at 5 per cent. per annum?

Let us be careful that we do not mis-state or over-state this amazing paradox. Not all the men go to their death. Probably not more than one in five will be killed or maimed. If death were certain, volunteers would be fewer in number and conscripts would resist more vigorously. But a gift of wealth is absolute; it has not the soldier's four-to-one chance of coming back unscathed. Granted. But the soldier, at any rate, places his life on the altar of his country to be sacrificed if the gods so will. He at least *risks* his life, and that at not very long odds. And what for their part do those risk who have wealth instead of life to offer? Nothing. Their terms are absolute security, guaranteed restitution, and not less than 5 per cent. per annum reckoned at compound interest. We say nothing of our humble men who have sacrificed their businesses and prospects as well as offered their lives. Let these be set off against those of the well-to-do classes who, though holding to their possessions, also offered their lives. Restricting our comparison purely to those who had wealth to offer and those who had life, who shall say that we have exaggerated the grotesqueness of the paradox?

If the Scales Fell from Our Eyes

Were there anything approaching absoluteness in our standards of judgment we should hold it an unspeakably revolting thing that a person having at disposal wealth sorely needed by his country in her hour of tribulation should do other than hand it over freely, gladly and unconditionally. What should we think of the man who, believing that the hearths and homes of his native land were in imminent danger, believing that his children were in peril of torture and death, believing that his women folk were threatened with unnamable infamies, believing that the very existence of the Empire was at stake, believing that the future of Western civilisation trembled in the balance, believing indeed just those things which were reiterated from platforms, pulpits and papers, in drawing rooms and club smoke rooms and first class railway carriages, during the months when the issue of conscription still hung in the balance—what should we think of the man who, sincerely believing all this, held fast to his possessions, or gave them up only on condition that they should be returned in increased measure? We should cut him dead for the cad we should know him to be.

Were our eyes unheld by the witchcraft of wealth what should we think of a man who, seizing the opportunity of his country's necessities, piled up profits for himself, profits made maybe out of the supply of material or food for the gallant men whom he believed to be defending him, and hesitated for a moment to bring his gains to the last farthing to the national treasure chest? We should—well, we should, at any rate, ask him to forward his resignation to the committee of the club. But the occasion would probably not arise. None but a criminal or a traitor would commit such a breach of the accepted decencies: if a man were guilty of such a thing he would hide his deed for very shame and fear.

These are severe words, but who will dispute their truth? We merely ask what would be the commonly accepted social code if those who have wealth to offer were judged by the same standards as those who have lives to offer? With the "slacker" and "shirker" and "white feather" and "fine tooth-comb" campaign still fresh in mind we believe we have but feebly drawn our picture. The lines can be strengthened and the colours applied by the reader's imagination.

Wealth Sacred and Belief Conditional

How can we account for what does, in effect, exist, instead of that picture, under the two standards at present in vogue ? * Is it that wealth, being a gross, material thing, is not worthy to be judged by the same standards as life ? That allures; and demands fuller discussion than can be given to it here. But surely it is beside the point. We are dealing in both cases with living men. One man has life only to yield : another man has wealth only. We expect the life to be given freely as a matter of course. We do not expect, for a moment, that the wealth will be given except as a matter of business. There is no escape from the conclusion : we hold the right to possess infinitely higher in the scale of rights than the right to live. The bodies and souls of poor men are our property, not theirs ; the possessions of rich men are their property, not ours. Life is subject to mundane laws : wealth is sacrosanct.

The two categories could not exist contemporaneously in the public mind, be it observed, did people really believe what they profess in regard to the war. The man who has seen oncoming calamity with eyes of understanding has no use for more than one standard. It is bewildering to reflect that those who make it their mission to fire our patriotic ardour with passionate eloquence do not really, in their hearts and minds, believe the things they say. But there is no escape from the conclusion. We need not set it down as sheer dishonesty, as self-confessed hypocrisy. It may be that they are totally incapable of feeling or apprehending the import of the words they use, and are quite unconscious of their limitations ; but far more probably it is that their belief is not absolute but relative, that it is belief held in relation to some specific purpose in their minds, as, for instance, the passing of a Compulsion Act, and is non-existent in relation to anything that does not suit their interest or whim.

The Quest

We have digressed a little, but to good purpose, we think. The two standards we have discussed are but transient. They are, in fact, vestigial remains of the feudal system. They have outlived their day and, in the circumstances that are developing, must pass. From sheer necessity we shall be compelled (if the war is to go on) to look on wealth as no more sacred than life. No scheme for raising war funds which involves the guarantee of restitution and the payment of interest will serve. We must have wealth rendered up as freely and unconditionally as was life. How shall it be contrived ?

Practical Politics

" Conscription of Wealth " is the recipe that springs first to the mind. Let us examine this Conscription of Wealth. Set aside for a moment any question of general principle or of tit-for-tat, and judge it as practical politics. Again let us take as examplar what was done to obtain the bodies of men in equally pressing circumstances. Again let us call Mr. Bonar Law to witness :

> It is my belief that a Liberal Government alone could not have carried compulsion when it became necessary. The party would not have let them, and it is equally my belief that if we had come into power shortly after the formation of the Coalition we should have been compelled to carry compulsion, but that at that time the country was not ready for it, and that there would have been a widespread revolt which would have shaken us all through in the carrying on of this war. (Cheers.) That is my belief. People think because it went through so smoothly that it could have been done a year before. (Hear, hear.) I do not deny for a moment that I think it could have been done earlier than it was done (Cheers) ; but I feel as convinced as I can be of anything in this world, that if we had tried to carry it nine months or a year before it was carried, there would have been an amount of hostility which those who are in favour of it have no conception of.—(*Speech at Queen's Hall, August 9th*, 1916.)

As a piece of practical politics " Conscription of Wealth," even at this grave juncture, is not promising. The country is not ready for it, and there would be " a widespread revolt which would shake us all through in the carrying on of this war." Some people think that it would go through as smoothly as did the conscription of bodies and souls, but, unless the way was similarly prepared, there would be an amount of hostility of which those who are in favour of it have no conception.

We are not here discussing the relative merits of compulsion or voluntarism as a matter of general principle. We suggest, however, that the forthright wealth conscriptionists will do well to ponder Mr. Bonar Law's admissions. Compulsion is not all plain sailing. Say " We order you " and the answer of a free people is " Damned if you do ! " It is a matter of common knowledge that thousands, yes, tens of thousands, of men enlisted under the voluntary system who would have resisted compulsion to the end. Say " We order you " and jaws are set firm : backs stiffen. Intrigues, manœuvrings, wirepullings begin among the baser sort. The odds are that the measure will never reach the statute book : if it does succeed it will disrupt that which it sought to reinforce. As

* This paragraph had only just been written when the newspaper arrived containing the report of the Committee of Public Accounts in which is quoted the case of a large contractor, a person of title and good social standing, who, having offered at the beginning of the war to erect huts for no payment beyond the bare cost, subsequently demanded (and received) a commission of 5 per cent. over and above the 1¼ per cent. stated to be necessary to cover standing charges. The commission up to date has yielded him about £190,000. The *Times* of to-day's date (August 19th) has no word of censure to administer in its editorial columns. It will be interesting to see how the affair develops.

practical men we have to consider not only the goal, but the best method of attaining it.

A Derby Scheme for Raising Money

Is there no other way? There is: it is here right under the national nose. Were it not that we think and feel in compartments, and were it not that we have come to regard money as far more sacred than life, as in an altogether different category of things, it would have been observed from the beginning by all who have eyes to see. The State must proceed in the raising of the income required (if the war is to go on) exactly as it proceeded in the raising of men—by voluntary enlistment stimulated by publicity and searching personal appeal. The national situation cries aloud for a Derby Scheme for Raising Money.

The Derby Model

The scheme is simple and obvious enough: all that is required is to take the Derby Scheme as a model and construct one on parallel lines, with the necessary adaptations, for the recruiting of wealth.

A National Register of Wealth

The first step is to arrange for a National Register of Wealth to be taken, on much the same lines as the National Register of People which prepared the ground for the Derby Scheme. It should be a register of possessions and of income. This is important, for though it is true that income is, generally speaking, dependent upon and proportionate to capital, and though, for the most part, it is only out of income that the funds necessary for prosecuting the war (if it is to go on) can be obtained, yet there is a good deal of wealth in private hands which yields no money income to its possessors, such as parks, pictures, furniture, jewels, etc. Such possessions would not be included in a return of income, but they might all the same be sold, after the manner practised at Red Cross jumble sales, to those who could not be otherwise persuaded to place such amount of their income at the disposal of the State. The question: "What sacrifice are you prepared to make for your country?" is as pertinent to possessions which yield satisfaction as to money income. The register forms must also provide for a detailed statement of the way in which the income is spent. This is essential, for it is only by the furnishing of such particulars that possible economies can be pointed out. Its importance will be clearly shown in a moment.

By way of illustration, and equally in order to assist the Government to set on foot with the least possible delay the scheme we outline, a draft form for the return of possessions, income and mode of expenditure of income, is presented as a loose inset in this number.

Pronouncements by the Prime Minister

It has been suggested that while the register is being compiled the Prime Minister will make an important speech expressing his firm confidence that the patriotic spirit of the country will ensure the necessary sums being obtained by the voluntary system, but he will probably add an assurance that the Government will not hesitate to exert their full powers of coercion should more than a negligeable minority of incomes remain unattested after the lapse of a very short period. We shall all hope, of course, that such coercion will not be necessary. The Prime Minister will also give his solemn pledge that the register will on no account be used as a basis of wealth-conscription; but it will be no infraction of this pledge to transfer to special red cards the particulars furnished by those who are deemed "eligible for monetary service," as was done in the case of the National Register of persons. In this process all incomes of less than £120 a year will be rejected as ineligible.

Personnel and Methods

A strong Wealth Recruitment Committee must next be formed to direct the operation of the scheme, with a president or chairman to play the rôle of Lord Derby. His lordship would, of course, hardly be suitable for the post. It was appropriate that a representative of wealth should have been charged with the task of appealing for men; and it will be no less desirable that a representative of men should be the directing spirit in an appeal for wealth. The names of Mr. Robert Smillie and of Mr. J. H. Thomas have been mentioned in this connection. Either of these would carry out the task with ability and zeal; but we fear the same objection applies to Mr. Thomas as did in the former case to Lord Derby, as Mr. Thomas is an avowed wealth-conscriptionist and would naturally regard himself as being placed in charge of a bankrupt concern. This, it is to be feared, would militate against the success of the scheme.

The central committee will proceed to form local committees charged with the duty of carrying out a thorough canvass of every person whose name appears on the register. Following the precedent of the Derby Committees, on which no man eligible for military service was allowed to act, the membership of the Wealth Recruitment Committee should be confined to working men, and preferably to men earning not more than thirty shillings a week. Men of forceful character, combined with depth of conviction and marked powers of expression, will naturally be selected. Such men are by no means rare among the working classes; but, if any difficulty is experienced in finding suitable men, a list will no doubt be gladly supplied by the local trade unions or by the local branch of the I.L.P.

Each member of the committee will be furnished with a card for each of the 24 persons allotted to him for canvass. These cards will give him full particulars of the possessions, income and manner of expenditure of each person whom he has to visit. In the meantime, a letter in Mr. Smillie's handwriting (reproduced by lithography) will be sent to each person eligible for monetary service, explaining, in his bluff, honest way, the greatness of the national need, and voicing in plain Anglo-Saxon the call to sacrifice. Furnished with the cards the canvasser will pay his round of calls. He will be polite, tactful, persuasive, patient, and yet persistent. If the subject of his appeal is announced to be "not at home" he will call again and again until fortune favours his quest.

A Typical Interview

To make the course of things more plain let us suppose that Mr. Bill Jones, bricklayer's labourer, of Lewisham, a man famed among his fellow-workers for his irresistible personality and power of speech, is calling upon Lord Derby, as Lord Derby's canvassers, twelve months ago, called upon his younger mates. The conversation will be somewhat as follows:—

"You are, I believe, the Right Honourable Lord Derby?"

"I am."

"You have received Mr. Smillie's letter?"

"I have."

"You are, I feel sure, prepared to make the sacrifice Mr. Smillie has asked of you."

"Proceed."

"Your income is, I understand, £..... a week?"

"It is."

"You have possessions, not yielding a monetary income, which are valued at £.....?"

"I have."

"You have legal commitments amounting to £..... in regard to current expenditure which you cannot very well rescind?"

"That is true."

"Very good. You have, then, a gross income of £.....a week at your disposal. I want to ask you, Lord Derby, how much of that do you require to maintain yourself, and such of your dependents as are unable to maintain themselves by work of national importance, in health and comfort, and how much can you place at the disposal of the State?"

Doubtless some good-humoured higgling will ensue. The canvasser will take each item of expenditure in turn, and discuss with the canvassee its justification, viewed in the light of the national extremity. He will point out that food, fuel, clothing and shelter are the only absolute necessities of physical subsistence. To the minimum cost of providing these he will add such expenditure as may seem to him essential to the efficient performance of the canvassee's daily work.

These absolute minima the canvasser will add, and, announcing the total, will ask: "Are you willing to put the whole of your uncommitted income over and above this sum at the disposal of the State for the purpose of defending your life and liberty, of safeguarding the honour and existence of your country, and of preventing the overthrow of European civilisation?" It is possible—we hesitate to say this, but human nature is a queer thing, and ingrained habit dies hard—it is possible that the canvassee will demur a little, protesting that the case does not yet call for such degree of sacrifice, that it is in the national interest he should retain his whole income, that others have not "paid first," that "he will wait till it is fetched," or that it is impossible for him to live on such a sum. The canvasser will deal patiently with him, now arguing, now coaxing, now appealing, now solemnly exhorting. He will point out that every 15s. 6d. means 124 cartridges; that every sovereign means a shortening of the war; that every hundred pounds prevents the loss of a brave man's life. He will remind him that five million men offered their bodies voluntarily to the cause for which he hesitates to volunteer merely his surplus wealth. He will explain how willingly he himself would give all that he earned above the sum suggested, were it not that he has never had even so much. And, finally, answering the plea that it would be impossible to live on the proposed amount, he will point triumphantly to himself as an example of how a man may keep well, strong, and efficient on no more than 30s. a week, maintaining a wife and rearing a family into the bargain.

Having carried his point as to income, he will proceed to deal with the canvassee's possessions which yield no monetary return. He will demonstrate how park lands, cut up into suitable lots, would find a ready sale at low prices among those who have for so many years tried in vain to procure small holdings and allotments; explaining with regret that men will stint and scrape to buy a portion of land to work upon as they cannot anywise be induced to do to assist the defence of land they do not own. He will turn to the works of art, and ask what is the possession of a Rembrandt or a Corot in comparison with the liberty of Europe; pointing out that there is always a market for such treasures in America, and that their sale there would create credits which could be used for the purchase of munitions. He will go through the catalogue of gold and silverware, jewels, furniture, vehicles, horses, etc., and entreat that all these should be offered gladly to Mr. Smillie. We may believe that he will not entreat in vain.

He will make it plain, following again the precedent of the Derby scheme, that he is not asking for this surplus income and these possessions to be signed away to the State at once. All that is asked is that the patriotic citizen of means shall "attest" his wealth,

POSSESSIONS NOT YIELDING MONETARY INCOME.

The estimated money values should be given here An exact inventory must be furnished on separate sheets

Land and Buildings.	Works of Art.	Furniture	Jewels.	Gold and Silver Plate.	Clothing.	Motors.	Carriages	Horses.	Other Possessions	Total.
£	£	£	£	£	£	£	£	£	£	£

State below to what figure you think you can reduce your expenditure under these several heads during the current financial year:—

Rent.	Rates and Taxes	Household Expenditure.	Clothing of all Kinds.	Travelling, including Motor-cars	Luxuries	Charities.	Savings.	Other Expenses.	Total
£	£	£	£	£	£	£	£	£	£

Are you prepared to place the whole of your surplus income as here set down, or such larger amount as may be demonstrated to be feasible, at the disposal of your country?

Are you prepared to place the whole of your possessions, except such as may be absolutely essential to your well-being and to the efficient performance of your work, at the disposal of your country? State which items are indispensable and which, not being indispensable, you still desire to retain, and why

(Signed)

Name

Title

Address

Published for War and Peace, Ltd., 18 Brule Lane, London, E.C.

Year 1916-17.
No.

National Registration of Wealth.

YEAR ENDING SEPTEMBER 30, 1917

To of

In pursuance of the Provisions of the National Registration (Wealth) Act you are required to set down below a true and correct statement of your income, the manner of its disposal, and of your possessions which do not yield a monetary income, and to return it to Mr. Robert Smillie within twenty-one days of this date.

TOTAL ANNUAL INCOME.

From Trade, Profession, or Business.	From Land or Property.	From Interest, Annuities, or Dividends.	Wife's Income (giving full particulars).*	From Other sources (with particulars).*	Total.
£	£	£	£	£	£

NUMBER OF DEPENDENTS.

Children under Six Years Old.	Children over Six (state School Fees).	Domestic Servants (state Age, Sex and Wages, and state if and why any or all are not capable of doing work of national importance).*	Other Dependents (state number and Annual Cost, and state if and why any or all are not capable of doing work of national importance).*

USUAL MANNER OF EXPENDITURE.

Rent.	Rates and Taxes.	Household Expenditure.	Clothing of all Kinds.	Travelling, including Motor-cars.	Luxuries.	Charities.	Savings.	Other Expenses.	Total.
£	£	£	£	£	£	£	£	£	£

What are your legal commitments in the matter of expenditure? Give full particulars.

* Where particulars are required they may, if necessary, be supplied on a separate sheet and totals inserted above.

to be yielded if and when the need arises and the call is made. The attested surplus incomes are to be ranged in groups. Group I. will consist of surplus incomes of over £100,000 a year; group 2 of those over £50,000 a year, and so on down the scale to group 40, consisting of surplus incomes of between £50 and £100 a year. He will, it is hoped, make this equally plain to those who will fall into the earlier groups as to those who belong to the later; thus resisting the temptation to which many Derby canvassers succumbed of adapting their arguments to the listener, and thereby playing off class against class. Especial care will be taken to ensure that canvassers do not reinforce their appeals with threats of eventual compulsion, as happened only too often, to the infinite regret of the authorities, under the Derby Scheme. Anyone who may reasonably be suspected in advance of falling into the error of saying: "If your surplus income is not voluntarily yielded, sir, it will be fetched, sir, by a couple of soldiers with drawn bayonets," will be considered ineligible for membership on the canvassing committee.

The Compulsionists

Of course, the time may come when it will be impossible to resist the demand for complete conscription. There are, among the non-propertied classes, agitators who have preached incessantly the confiscation and nationalisation of all property; just as other agitators have preached day in and day out the conscription and militarisation of men. These, when the whole surplus income of the nation is being successfully gathered by voluntary appeal, may see their opportunity passing, and may, by inciting the penee not to attest until the shillings and pounds have been compulsed, by reiterating the cry of "millionaire slackers first," so far succeed in hampering the administration of the scheme that, while still a little short of the zenith of its success, it will suffer the anti-climax of compulsion, and there will begin the "combing out" of incomes whose exemption had previously been insisted upon, and the roping in of totally ineligible incomes in order to justify the claim that a "not unnegligible" amount of income remained still to be tapped. We entreat the wealth-compulsionists, strong as we recognise their case to be on grounds of justice and equality, at any rate to give the voluntary system a fair chance, and not to thwart it as did the body-compulsionists throughout the working of the Derby Scheme. Let them be sure that by applying the necessary pressure Mr. Asquith will be prevailed upon to keep his pledge should the Smillie scheme not prove fully successful.

Shirkers and Conscientious Objectors

It is conceivable, of course, that despite the personal challenge and the quickening power of publicity there will be found some men who, though their patriotic words and sentiments are on record, will none the less turn away the canvasser with a blank denial. There may also be conscientious objectors who believe the war to be wrong or stupid and who will refuse to contribute on grounds of principle. The latter will, we hope, receive more just consideration than has hitherto been meted out to conscientious objectors. The former will present a more exasperating problem. The public, and particularly the wealth-conscriptionists, must exercise patience. Means were found at the time of the Derby Scheme to bring immmerable kinds of pressure to bear on the recalcitrant. There were instances of windows broken by incited mobs, and of men threatened with dismissal by the employers. We should strongly deprecate violence, whether by word or act; but we see no reason why men should not decline to go on working for an employer who had not "done his bit." This is but one instance of how economic and social pressure could be applied. Many others will recur. But surely we can depend on practically every possessor of surplus wealth responding to the national call with any such pressure, provided it is made with patience and persistence.

A Quickened Public Conscience

The Smillie scheme would have one beneficial result which conscription could not produce in anything like the same degree: it would quicken the communal conscience of the individual. Lavish wealth and abject poverty could not exist side by side did men permit themselves to reflect on the relation of their own affluence to the poverty and wretchedness of millions of their fellow-countrymen. They do not reflect; they agree with themselves never to confront the one with the other. We have in the past too much connived at this practice. We have talked in generalities. We have never tried the experiment of a national scheme for personally challenging, with all the accompaniments of publicity, the manner in which each individual pursues his daily life, and thus compelling him to justify his mode of life and the disposal of his means before the tribunal of his own conscience and of public opinion. The Derby Scheme has shown the necessary accompaniments of successful voluntarism: the individual challenge and the sanction of publicity. It may well be that in the years after the war the State will demand certain observances of a routine sort (the payment of income tax, the attendance of children at school, the notification of infectious diseases) as a matter of course, but where any great need is in question (the abolition of low wages, the clearing away of slums, etc.) we have learned how the public conscience can be quickened and the necessary effort and money produced by voluntary means.

Income Tax and Excess Profits Duty

The income tax and the excess profits duty have already established the principle that some part of the income of the individual may be taken by the State when occasion arises. It may, perhaps, be contended, then, that we are advocating merely an extension of what already is in force. That is true, with two reservations. First, that the income tax serves for the fulfilment of everyday obligations to the State concerned with matters of routine: it will never serve, it cannot be stretched to serve, a compelling national need. Second, neither the income tax nor the excess profits duty fulfils that condition which we see to be essential where compelling need is in question: that the State shall regulate its demand, not according to the wealth a person possesses, but according to what he will have left when he has responded to the call.

Attestation and Badge

Having in the end agreed to place all his surplus incomes and possessions at the disposal of his country for the effective prosecution of the war, and having signed the canvasser's card in confirmation of that agreement (always subject to any subsequent plea for total or partial exemption which he may care to make before a tribunal also composed entirely of non-propertied men), his Lordship will be entitled to a badge which shall indicate to the public at large that he has pledged himself to "do his bit." The exact form of the badge is a matter of detail; it might appropriately be a scarlet armlet bearing the letters L.S.D. worked upon it in gilt. Some such badge will be necessary, for once the public conscience is awakened it is not at all unlikely that obviously propertied people will be looked at searchingly and pointedly in the street, or even pestered by indignant non-eligibles. Indeed, it is even conceivable that the ruder and more meddlesome non-eligibles will repeat the coarse gibe of presenting them with some symbol of selfishness; not, of course, in this case, a white feather, but possibly three miniature brass balls.

Publicity

We are well aware that a good many people will look askance at the suggestion that anyone should be asked to disclose the amount of his income and the manner in which he spends it to a committee of his neighbours, and especially to a committee comprised of men belonging to another social grade. It is, we know, regarded as right and proper that common men should be called on to expose the most intimate details of their private life, and should be compelled to lay bare the innermost secrets of soul and conscience, before just such tribunals; we know that it is regarded as right and proper that garbled reports of the cross-examination before these tribunals, often with scurrilous headlines, should be reproduced in the Press; and we also know that no one would think for a moment of subjecting wealth to the same inquisition. None the less, we insist that, in the emergency now upon us, the sanctity of wealth can no longer be upheld. Income, expenditure, and possessions must be made subject to the same principles and practices as were applied to life, conscience, and faith.

Mr. Asquith's Surprise and Pain

In the early part of June, 1915, a discussion took place in the House of Commons upon the arrangement that had been made between the members of the new coalition Government to pool their salaries and redivide them into equal amounts. The late Sir Arthur Markham contended that the salaries voted by Parliament to the various members of the Government were intended to be retained by those members, and that the reported arrangement was contrary to that intention. Mr. Speaker having pointed out the grossly bad taste of discussing how any hon. Member disposed of his salary after he had received it, Mr. Asquith rose and delivered himself as follows:—

> I confess that I have listened to this discussion with surprise and pain. . . . If you are going into the sort of questions which my hon. friend has raised, as to how a Minister is to dispose of his salary, or what his personal or private means may be, then there is an end to the decency of Parliamentary debate. As long as I am a Minister of the Crown—and I speak not only for myself, but for all my colleagues—I absolutely deny the right of the House of Commons to inquire for a moment how we spend the money which the State votes to us. If any other rule were adopted, or any other practice sanctioned, we should inevitably be led into the discussion of what were the private means of particular persons who accept office in the State. . . . For my part, I will never consent to hold office in this House under the Crown subject to the condition that the House of Commons, *or any other body in this country*, shall have the right to inquire how I spend the money which I receive.—(HANSARD, *June 8th*, 1915.)

The italics are our own. While in these memorable words Mr. Asquith was proclaiming the sacrosanctity of wealth divine, the plans were going forward, under his *ægis*, for that National Register of souls which was to provide the basis for the Derby Scheme and culminate in the Military Service Acts and the tribunals established under them.

We have shown that the most urgent of all national needs (if the war is to go on) is money. We have shown that in the situation now developing wealth must be subject to the same principles and policies as life. We have given grounds for believing that the Derby Scheme provides a precedent which should be followed for the raising of money. We commend the project to those who desire justice and equity, and who see the dangers toward which our present financial policy is heading and seek a way of checking the fatal drift.

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